Government of Saskatchewan

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All stated cattle prices are based on the weekly Canfax Market Outlook and Summary.
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Cattle Market Update

For the Week Ending December 18, 2015

This is the final edition of the Cattle Market Update for 2015.
The report will resume on January 25, 2016. Happy Holidays everyone!

All prices are quoted in Canadian dollars per hundredweight ($/cwt) unless otherwise stated.

Saskatchewan Feeder Steer and Feeder Heifer Prices ($/cwt)

Feeder Steers		300-400	400-500	500-600	600-700	700-800	800-900	900+ lb.
Dec. 18/2015	Average	**N.A.**	**$270.00**	**$237.50**	**$218.47**	**$205.00**	**$203.75**	**N.A.**
Dec. 18/2015	Range	N.A.	260-280	220-262	205-237	195-215	195-215	N.A.
week/week	Change	**N.A.**	-$11.30	-$6.79	-$7.13	-$7.50	**$3.11**	**N.A.**
Dec. 11/2015	Average	**$311.90**	**$281.30**	**$244.29**	**$225.60**	**$212.50**	**$200.64**	**$192.60**
Feeder Heifers		**300-400**	**400-500**	**500-600**	**600-700**	**700-800**	**800+ lb.**	
Dec. 18/2015	Average	**$269.23**	**$243.75**	**$215.25**	**$203.25**	**$190.00**	**$185.07**	
Dec. 18/2015	Range	260-285	235-267	200-229	195-210	185-195	180-191	
week/week	Change	-$6.10	**$1.75**	-$1.46	-$4.17	-$4.93	**$0.49**	
Dec. 11/2015	Average	**$275.33**	**$242.00**	**$216.71**	**$207.42**	**$194.93**	**$184.58**	

Source: CanFax

Note: Prices are determined from Saskatchewan auction marts' reports of sale results from Thursday of the previous week to Wednesday the current week. N.A. means not available due to lack of sufficient data. This price set includes all sales from Thursday December 10 to Wednesday December 16.

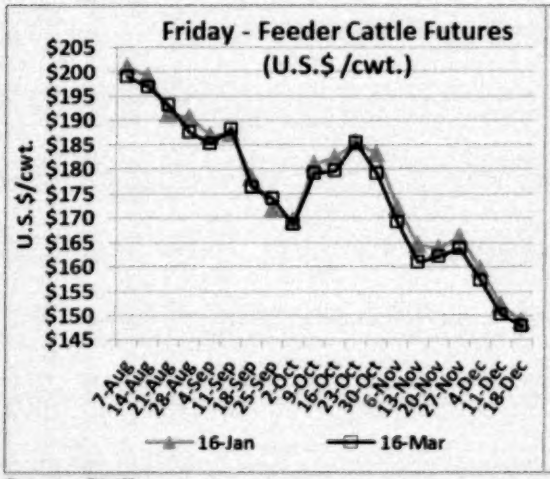
Canfax reported that a total of 8,210 head of cattle were sold in Saskatchewan this week, down significantly from 26,616 head marketed the previous week.

Saskatchewan feeder steer prices were primarily lower over the week in the different weight categories that were reported. Feeder steer prices ranged from $11.30 per cwt lower to $3.11 per cwt higher, from the previous week. The lighter weight 400-500 lb. feeder steer weight category had the largest loss declining $11.30 per cwt, while the 800-900 lb. feeder steer weight category had the only gain. Feeder steer prices overall averaged almost $6 per cwt lower in the weight categories reported. Weekly price trends continue to be overall lower and feeder cattle future prices established new contract lows over the week before rebounding strong on Friday.

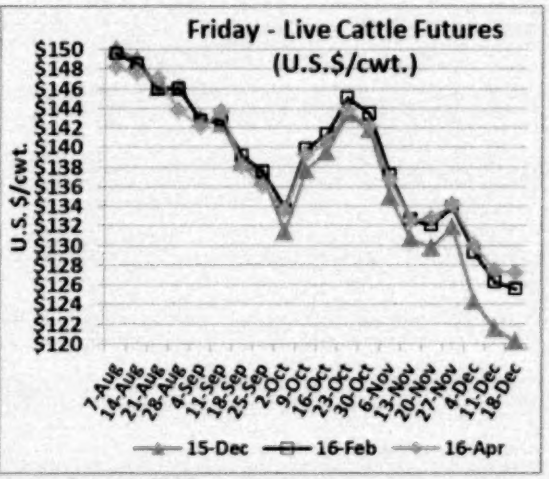
Saskatchewan feeder heifer prices were mixed over the week in the different weight categories. Feeder heifer prices over the week ranged between $6.10 per cwt lower to $1.75 per cwt higher. The 300-400 lb. feeder heifer weight category had the largest loss declining $6.10 per cwt, while the 400-500 lb. feeder heifer weight category had the biggest increase gaining $1.75 per cwt. On average prices declined over $2 per cwt over the week.

The Saskatchewan 750 lb. feeder steer basis compared to the Dec. 17, 2015, U.S. feeder cattle index at US$154.52 per cwt was calculated at (-$10.48) per cwt (US$154.52/0.7171-$205.00), a basis widening (negative) of $6.15 per cwt from the basis of (-$4.33) per cwt the previous week.

Feeder cattle futures prices continued to fluctuate with big losses on Monday followed by significant gains on Friday, however still ended the week lower, week-over week. The January 2016 contract declined US$3.375 per cwt to settle Friday at US$148.750 per cwt. The March 2016 contract declined US$2.175 per cwt to settle Friday at US$147.950 per cwt.



Source: CME



Source: CME

Live cattle futures prices were mixed over the week but ended Friday significantly higher, however still settled the week lower, week-over-week. The nearby December contract declined US$1.300 per cwt to settle Friday at US$120.150 per cwt, while the February 2016 contract declined US$0.725 per cwt to settle Friday at US$125.525 per cwt.

Iowa cash corn prices declined one cent over the week to settle Friday at US$3.45 per bushel. U.S. corn futures prices were mixed over the week with some big price movements ending the week slightly changed, week-over-week. The March 2016 contract declined almost one cent over the week to settle Friday at $3.74½ per bushel, while the May 2016 corn contract increased slightly (US$¼ cent) to settle Friday at US$3.80½ per bushel.

Fed and Non-fed Cattle

	December 18, 2015	December 11, 2015	Change over Week
Steers (Alberta)			
Live	$154.73	n/a	n/a
Rail	$257.75-$258.00	n/a	n/a
Cows (Alberta)			
D1.2 Live	$103.21	$100.83	+$2.38
D3 Live	$90.80	$89.60	+$1.20
Rail	$200-205	$198-203	+$2.00

Source: Canfax. (n/a = not available, n/c = no change)

Prices for liveweight, non-fed cattle in Alberta were higher over the week. For the week ending December 18, the price of D1,2 slaughter cows increased $2.38 per cwt to average $103.21 per cwt, while the price of D3 slaughter cows increased $1.20 per cwt to average $90.80 per cwt.

Fed cattle prices in Western Canada for Alberta fed steers were reported to average $154.73 per cwt. Alberta fed steer prices were not reported the previous week. Ontario fed steer prices averaged $150.91 per cwt, down $2.10 per cwt from $153.01 per cwt the previous week.

The live (FOB feedlot) weighted average 5-area (Texas/Oklahoma/New Mexico, Kansas, Nebraska, Colorado and Iowa/Minnesota) weekly fed steer price in the U.S. was reported at US$116.64 per cwt, down US$1.51 per cwt or 1.3 per cent from US$118.15 per cwt the previous week, and down 26.4 per cent from US$158.51 per cwt the same week a year ago. The dressed (delivered basis) price for U.S. steers delivered to plants in the 5-area was reported at US$183.44 per cwt, down US$3.66 per cwt or 2.0 per cent from US$187.10 per cwt the previous week, and down 26.7 per cent from US$250.17 per cwt the same week a year ago.

On December 18, 2015, the United States Department of Agriculture (USDA) released the monthly *Cattle on Feed Report* for December 1, 2015.

December 1, 2014 and 2015, Cattle on Feed (in U.S. feedlots with 1,000+ capacity)

	2014	2015	Per cent of previous year
On feed November 1	10,571,000	10,799,000	102.2
Placed during November	1,794,000	1,601,000	89.2
Marketed during November	1,475,000	1,532,000	103.9
Other disappearance during November	74,000	74,000	100.0
On feed December 1	10,816,000	10,794,000	99.8

Source: USDA

The USDA Cattle on Feed (COF) report indicated that the number of cattle placed on feed in November 2015 was 1.601 million head, down 10.8 per cent from 1.794 million head in November 2014, and down 30.0 per cent from 2.286 million head placed in October 2015. The number of fed cattle marketed in November 2015 was 1.532 million head, up 3.9 per cent from 1.475 million head in November 2014, but down 6.0 per cent from 1.630 million head marketed in October 2015. The November cattle placements were over six per cent below the average trade estimates (95.7), while the cattle marketed in November were almost one per cent above the average trade estimates (103.0). The cattle on feed for December 1, 2015 were estimated at 10.794 million head, slightly below the December 2014 inventory numbers, and slightly below the November 2015 numbers. The average trade estimates were estimating an increase of almost one per cent (100.9) from December 2014 to December 2015, while USDA's (99.8) estimated number was just over one per cent below trade estimates and slightly below December 2014. The biggest variation in the report were animals placed in November 2015 which were over six per cent lower than the average trade estimates, while marketing's and cattle on feed both had less than one per cent variation compared to the average trade estimates. Monthly cattle on feed numbers declined for the first time in eight consecutive months of year-over-year increases. The report overall was likely viewed as bullish with over six per cent less cattle placed on feed in November and a smaller than expected cattle on feed number as of December 1, 2015.

Beef production for the week was estimated at 499.2 million lb., up 1.2 per cent from 492.1 million lb. the previous week, and up 10.1 per cent from 453.5 million lb. the same week a year ago. Cattle slaughtered over the week were estimated at 590,000 head, up 1.5 per cent from 581,000 head the previous week, and up 6.7 per cent from 553,000 head a year ago.

Choice beef cutout prices (600-900 lb.) averaged US$196.56 per cwt over the week, down US$6.57 per cwt or 3.2 per cent from US$203.13 per cwt the previous week, and down 18.9 per cent from US$242.27 per cwt the same week a year ago.

Friday Price Information

Product		This Week (Dec. 18, 2015)	Week of: (Dec. 11, 2015)	Week of: (Dec. 19, 2014)
Canadian Dollar (closing rate US$)		.7171	.7277	.8615
U.S. Cash Cattle				
Thurs. Feeder Cattle (FC) Index (US$ per cwt)		154.52	157.79	230.63
Seven-day Weighted Average FC Index Wt. (lb.)		730	724	738
Live Fed 5-area Steer Price (US$ per cwt)		116.64	118.15	158.51
Feed Grains				
Barley	Lethbridge ($/tonne)	210.00	214.00	200.00
	($ per bu.)	4.57	4.66	4.35
Corn	Iowa State Average (CDN$/tonne)*	189.40	187.18	172.73
	(US$ per bu.)	3.45	3.46	3.78
	Omaha, NE (CDN$/tonne)*	198.18	198.00	177.76
	(US$ per bu.)	3.61	3.66	3.89
Futures				
	March Corn (US$ per bu.)	3.74½	3.75¼	4.10½
	May Corn (US$ per bu.)	3.80½	3.80¼	4.19
	December Live Cattle (US$ per cwt)	120.150	121.450	160.750
	February Live Cattle (US$ per cwt)	125.525	126.250	160.100
	January Feeder Cattle (US$ per cwt)	148.750	152.125	220.150
	March Feeder Cattle (US$ per cwt)	147.950	150.125	221.975

Sources: Bank of Canada, Iowa Department of Agriculture and Land Stewardship,
Chicago Mercantile Exchange (CME), ICE Futures Canada and USDA Livestock & Grain Market News
* conversion to CDN$ is based on Friday's CDN$ closing rate (This week it is Thursday's CDN$)

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